# THE PUBLIC RELATIONS JOURNAL

OF THE AMERICAN COUNCIL ON PUBLIC RELATIONS

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Public Relation's Reconversion Problem
By Bronson Batchelor

American Labor's Public Relations
By Major Harry C. Herman

VOLUME 1 DECEMBER NUMBER 3 1 9 4 5



# **NOT** a Job for Amateurs

PROEABLY no field or management is today attracting such wide attention as public relations. From the simplest contacts of business and politics to involved international relations, trained men and women are in demand. No field holds a greater challenge to individual education, training and experience. Obviously, this is not a job for amateurs!

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more of the broad knowledge required by this newer field of action. Volut

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Inquiry and pressure from many directions have indicated great need for a compact, authoritative and easily accessible source of information and data on current techniques and practice. After years of extensive study and research, the Council developed "Public Relations in Action"—a correspondence-reference course which has been accorded nationwide acceptance. Much more than an ordinary correspondence course, it provides both sound theory and practical working knowledge of public relations in its varied applications.

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AMERICAN COUNCIL ON PUBLIC RELATIONS

369 Pine Street

San Francisco 4, Calif.

# **Public Relations**

#### JOURNAL

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How to Receive THE PUBLIC RELATIONS JOURNAL Regularly.

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### Editorial

IN THE mail the other day came a Letter from a reader of the Journal who carries the label, Management Counsel. Because of the thinking it typifies among a certain vocal segment of public relations workers, a portion of it is worthy of reproduction. We quote:

"... we are quite amused by some of the statements which appeared in the Journal by men whose firms, or who as counselors, possess some rather odd ethics in their dealings. Only as long as public relations advisors return a 'profit' to their clients will there remain the business of public relations. . . . To us public relations is strictly dollars and cents for that is how our clients look at it and in the end that will be how every client of any practitioner will judge it."

Our friend is unquestionably right when he says that public relations has to return a profit to those who use it. No realistic worker in the field will challenge the truth of this statement. Public relations has to pay its way as it

But of two things involved in the above quotation the writer of the letter seems unaware. One is the nature and content of the word "profit" as it should be used in connection with public relations. The other is the spirit which should lie behind every statement made about public relations by one who practices it.

Profit measured solely in terms of

dollars and cents is wholly inadequate to gauge public relations activities. Public relations is a way of life, an activity covering a large body of intangibles. More frequently than otherwise its true value to an enterprise or an individual rests upon the contributions it makes to attitudes, needs and desires which money alone could never satisfy. And so when a public relations practitioner speaks of making a profit for his client he can afford to use that term only in its broad and deeply significant sense.

Also, what a public relations practitioner says should bear the stamp of deep understanding and broad sympathy. He should never speak in a spirit that is cheap or grasping. Frequently, the surest and quickest way to pecuniary gain is to render a service in hope of the good it will do to the person who receives it rather than the person who renders it.

Public relations practitioners should be good business men-which means, of course, that they should make money. But profit in dollars and cents should be only one among a number of worthy goals they set up for themselves. As professional men, they have enough criticism of past indefensible practices in the field to live down without shouting from the housetops that their only measure of success is the amount of money their efforts produce for their clients—and, of course, for themselves.

THE PUBLIC RELATIONS JOURNAL

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# PUBLIC RELATIONS HAS ITS OWN RECONVERSION PROBLEM

By BRONSON BATCHELOR

Public Relations Counsel, N. Y.; Author "Profitable Public Relations."

WORLD WAR II brought public relations, as a profession, for the first time into the national spotlight. To President Roosevelt must be given the credit not only for this professional elevation but for insisting that the public be given the fullest publicity with regard to the operations of the armed services. To see that this purpose was accomplished, the President took the unprecedented step of installing a Major General and a Rear Admiral, respectively, as heads of the public relations staffs of the Army and Navy.

Many industrial companies holding war contracts were quick to follow the government's example. Every war plant had its press representative who joined hands in executing the government's objective of making the public "war conscious." The Treasury helped by recognizing such activities as being items properly chargeable against war contracts and thus deductible from the corporation's tax obligations. By this combination of war needs plus a liberal accounting allowance, public relations, overnight, was lifted to a high plane and recognized, in America's highly industrialized society, as a vital and necessary function.

Good as well as bad effects naturally followed this sudden exaltation of the public relations calling. The time process by which personnel is seasoned and mature experience is gained was now shortcut and the practitioners of this new profession became immediately leading advisers in the formulation of both governmental and industrial policies. Very often this step was taken without governmental officials or corporation executives understanding all

the implications arising from the course on which they had embarked and from which, after the war, it might be difficult to turn back.

And if some difficulties developed in attaining these public relations goals. that should not be surprising. Not only did the American people gain, for the first time, a war consciousness such as no other people ever possessed, but the byproduct gains were no less important. These public relations beginnings made by government and by industry at least initiated two-way communication in the four most vital areas where public relations was most needed: between industry and the public, between industry and labor, between industry and the community, and between government and industry. Full development of programs for these various groups might have to wait until after the war was over; a definite gain had been made, at least, in this preliminary staking out of functions.

Overnight acceptance of this new responsibility both by industry and government naturally imposed certain penalties. The first and most obvious one was an acute shortage of qualified personnel to handle the job which had now achieved national importance. What previously had been a comparatively small field of activity with an extremely limited group of experienced practitioners was now expanded into a major undertaking. Indeed, the very urgency of the war emergency called for the enlisting of the best talent available.

For those who look ahead it is important not to be too complacent about the results that were thus achieved. In reviewing its record of wartime service,

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public relations is undergoing critical self-appraisal. Indeed, some doubt exists whether this new profession, thus placed on trial, hadn't overreached itself and taken on too great a responsibility. In public relations work for government and for various war industries, one weakness was immediately apparent: there could be no detailed analysis of the specific problems requiring treatment, nor could there be any individually tailored program to be applied to specific situations. War emergencies begot emergency measures, with today's job taking precedence over everything else.

#### Used Selfishly

Another handicap to the sound development of public relations during this period was the use of the public relations tool by various pressure groups for their own selfish purposes. Indeed, such techniques are indispensable in creating, within organizations, a spirit of militancy and urgency. Thus, public relations skill largely molded the activities of organizations like the CIO, the PAC, the Farm Bureau, the Farmers Union, or the various veteran groups. Such activities contributed not to national unity but to a new separatism, to a new division of the public into economic groupings or blocs, each of which was intent on obtaining for itself maximum privileges from government without regard to the consequences to others that might flow from such selfish programs.

These are merely facets which emphasize the reconversion problem facing public relations as a profession. The task is made more difficult because this craft, or calling, or profession is still very young—not grounded any too firmly on ethical codes of conduct and not too certain of its own immediate future. It is confronted, also with the task of redigesting the thousands of war workers drawn into its sphere,

largely by accident, and who have no very clear ideas of what it's all about.

Thus, the task of reprocessing this human material for peacetime service becomes, in itself, a major undertaking. Many of these would-be practitioners have found their wartime service to constitute a pleasant enough occupation; they would like to follow along, turning their temporary assignments into permanent careers. Part of this allure is due to the high salaries paid to these beginners which were taken as their natural due rather than as a product of the war emergency.

The postwar market for public relations services is likely to face a temporary glut when called upon to reabsorb all the Army and Navy public relations personnel who are now looking for jobs. A varied assortment of demobilized captains, majors and lieutenant colonels—with no professional experience other than that obtained in the armed services-is supremely confident that industry can or should provide them with "positions" equivalent to or better than those held during the war. That military experience is of little or no value in the postwar period ahead never seems to occur to these ambitious veterans.

Yet, on reflection, it should occur to these public relations aspirants that, between the practices of the Army and Navy and public relations activities in peacetime, a wide gulf exists that is difficult to bridge. Public relations is, in a sense, the most highly individualized of all the professions. Its chief practitioners have forged their own careers without benefit of that training or background which is provided for the lawyer, the doctor, or the engineer. There is no standardized public relations "product" which can be readily adjusted to ready-made positions within industry. The military services, on the other hand, operate on basically different principles. Here the so-called pubspo sio "po hig

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lic relations officer is seldom "on his own"; he is amenable to "orders"; he receives instructions from higher "authorities"; he follows procedures and directives laid down by the commanding officers of the units to which he is attached.

Indeed, we now know that the commanding officers of many combat units regarded public relations merely as the means through which their respective outfits might win favorable press comment from the scores of war correspondents assigned to the various divisions and Army groups. This kind of "public relations" became, at times, a highly competitive affair involving great bitterness.

Since the Army concept of public relations was to "tell the folks back home" all the news about the GI's which the censors would pass, neither Army nor Navy public relations officers had any responsibility when it came to "interpreting the war" to the soldier rank and file or even, indeed, in building GI morale. These important functions were completely segregated from public relations activities and assigned to a special unit headed by General Osborne attached to the Office of Strategic Service.

#### Naive

Yet from the postwar standpoint these Army and Navy public relations men regard themselves as being completely qualified to undertake the most important or the most delicate of assignments. They are naive in their ignorance of the professional requirements which attach to these peacetime roles. Their experience has seldom gone beyond the preparation of news releases or the performance of the most rudimentary functions in the various Army units. They know little or nothing of those psychological backgrounds which are basic to the training of a public relations expert.

Without meaning to disparage the earnestness of these war-trained wouldbe public relations practitioners, it should be pointed out that they have no knowledge whatever of those problems which, grouped under the heading of "industrial relations," include such highly technical activities as personnel supervision and training, collective bargaining practices within different industries, the maintenance of sound stockholder relationships, etc. It goes without saying, also, that they know scarcely anything of the complexities or the economic or political backgrounds which now surround nearly all government-industry relationships and which are now included within the public relations purview.

#### A Highly Specialized Affair

In other words, public relations, as practiced in the modern corporation or within particular industries, is today a highly specialized and highly professional affair which requires the same kind of apprenticeship and training that goes into older professional relationships. This fact must be emphasized because, more and more, public relations practices is tending away from the status of a craft, or of the former newspaperman pounding out a "story" for the use of an eager press, to a plane of expertness not so easily mastered.

Those hastily mobilized public relations practitioners who, since Pearl Harbor, have held down similar important positions within war industries are subject to the same basic criticisms. Here again, public relations practices were hastily devised to meet war emergency situations rather than to conform to the patterns of peacetime. Every holder of a war contract, faced with renegotiations for the recapture of excess profits, sought to maintain the most favorable position possible. He wished to appear to his employees as an "enlight-

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occur to hat, bemy and vities in that is ns is, in dualized practicareers or backthe lawr. There relations dily ads within s, on the y differled pubened" business executive. He was proud of news stories which might appear dealing with such items as "E" awards to his factories and his workers, records of war production or technological improvements such as the War or Navy Departments might authorize. Thus these temporary practitioners, under constant pressure to keep up with events, never had time nor opportunity to get beneath the purely superficial aspects of their jobs.

It is to the credit of these new public relations recruits that many have recognized their deficiencies in attempting to qualify for postwar jobs of equivalent standing. They recognize that they must go back and relearn those fundamentals which belong to thorough basic training. They are anxious to be a credit to the profession they wish to joinmore so, indeed, than some of those who have been long in the business. Their eagerness to learn makes them candidates for membership in organizations like the American Council on Public Relations. Special courses which help in preparing for those broad public responsibilities that, increasingly, have become associated with public relations practice, have been mapped out.

As a matter of fact, many experienced public relations practitioners welcome this reconversion period as a kind of long-awaited opportunity for a thorough housecleaning. Perhaps this new profession can now slough off not only those who are not qualified for the work but rid itself, at the same time, of all too numerous quacks and charlatans who, too frequently, have given public relations a bad name. The gulf between press agentry and public relations gets wider and wider. The result is that businessmen are less gullible than they once were. They at least know the essentials of public relations and thus do not as readily fall victims to high-pressure racketeers.

As a matter of fact, the postwar op-

portunity facing the trained and experienced public relations man or woman is probably greater even than that of the war period itself. With many of the old economic and political frontiers gone, with the relationships of men to their jobs and to their governments undergoing fresh scrutiny, the job of interpreting the social and economic forces at work takes on decisive importance. For the public relations man, alert to these changing influences, will often condition the receptivity to new ideas within his own company's executive group.

The next decade is going to be a period of flux, of readjustment, of adaptation to changes in the environment of American industry. It will require a background of economic and political knowledge, an interpretative skill and forceful leadership without precedent in our history.

#### America's No. 1 Job

The big postwar job that now faces American business is, first of all, to reestablish public confidence in the integrity and capacity of American business leadership. The businessman must banish the suspicion and distrust in which, for the past decade or more, he has been forced to operate. He must be able to repel the political attacks which, rightly or wrongly, have been leveled at him.

This big assignment requires courage, knowledge and ability. It requires a new sense of pioneering and less dependence upon the lawyer as an adviser in the making of industrial policies. Free enterprise, as that term is now understood, can only exist in a climate favorable to its growth.

By its own acts over the next decade American industry will largely shape what its own future is to be.

In shaping that future public relations has a vital part to play.

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# American Labor...

#### TURNS TO PLANNED PUBLIC RELATIONS

By MAJOR HARRY C. HERMAN

Executive Director, Robert Maisel Associates, N. Y.

ON APRIL 18, 1942, American organized labor signalized its entry into top-flight public relations activity by inaugurating its first sustaining network broadcast program, "Labor for Victory."

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The series had first been born as a brain-child in the questing mind of Frank E. Mullen, vice president of National Broadcasting Company who had long contemplated the how of closer liaison between organized labor and broadcasting.

After an initial period of experimentation, "Labor for Victory" eventually climbed into a Hooper rating which indicated that organized labor had acquired "know how" in radio broadcasting.

Labor had definitely arrived on the radio big-time.

This year labor's network program has broadened into a planned sustaining time series on each of the three networks, NBC, CBS, and ABC, as well as occasional programs over Mutual. More important, labor—now thoroughly sold on the value of continued good-will broadcasting-has set up professionally expert permanent radio departments, both in the AFL and CIO, to plan further exploration of the radio field. It is supplementing its sustaining programs by buying important radio time, both on the national and the local levels, to tell trade unionism's story to the public. It is preparing to enter the new field of FM in a big way.

Of course, the real significance of labor's large scale entrance into broadcasting is that it reveals a new union attitude toward the whole subject of planned public relations.

Today, among the more forward-looking labor union presidents, public relations thinking is going far beyond radio. The old narrow union distrust of outside specialists is beginning to break down. Organized labor is beginning to think in terms of the broad scale use of all the proven techniques of modern public relations. It is probably no exaggeration to say that labor is on the threshhold of a wide-ranging exploration of the possibilities of public opinion cultivation which bids fair to be one of the most interesting creative developments of the period ahead.

What has broken down the old labor inhibition against professional level public relations more than anything else is the new and painful awareness, among the more alert labor executives, of the dangerously exposed position of the trade union movement in the postwar readjustments ahead.

Outwardly, labor sits at the very pinnacle of its influence.

The war years, and the New Deal period which preceded them, have seen unionism growing up into an almost hothouse maturity. The 5,000,000 trade unionists of 1937 have magnified into a 1945 host of 14,000,000. "Maintenance of Membership" and other fostering Government war policies have filled union treasuries with money; have brought into being an aggressive and ambitious labor elite of 250,000 full or part-time union officers. Unionism's lengthening shadow falls powerfully across every national political and economic event.

Organized labor has become institutionalized.

But behind this facade, of apparent

power, intelligent labor executives realize that everything is not so well. The suddenness of unionism's growth has stirred up a vast public opinion among unorganized white collar workers, farmers, professional men, and the middle classes generally which is deeply distrustful of the new labor eminence. Labor leaders realize, with deep uneasiness, that there are wide areas of public opinion in America which do not accept the permanence of labor's new wargained status. This opinion is spilling over into politics, it is finding expression on the floor of Congress, it is penetrating dangerously into some veteran circles.

#### Public Opinion Will Decide

Truth-facing labor leaders realize that the next few years, or even months, may see unionism fighting a desperate defensive struggle against its challengers. They know that the decisive battle, in such a contest, will be fought in national public opinion.

We have seen this apprehension finding expression in recent union conven-

tions.

Julius Hochman, vice president of the International Ladies Garment Workers, in a forceful plea for the setting up of a "Department of Public Relations" solemnly told the 1942 AFL convention:

"Let us not deceive ourselves. Let us face the facts. Large, very large sections of the American people at this moment have no real understanding of organized labor's aims, ideals and objectives; or what is worse, they harbor misunderstanding, hostility and prejudice. . The mind of the American people is being poisoned against labor. We cannot stand by and do nothing. The very life of our movement, of all we have gained in the past decade and more, is in jeopardy. What are we going to do about it?"

Every successive AFL convention has seen the resolutions committee studying motions from Federation affiliates throughout the country, voicing similar concern with labor's immediate publicity problem, and urging the adoption of modernized and efficient programs of top public relations.

And in the CIO, the United Mine Workers, and the Railway Brotherhoods there is an equal awareness of the seriousness of the problem.

This is not to say that labor is not already widely engaged in public relations on various levels of professional expertness.

Such activities have grown out of the very nature of trade unionism. Organized labor exists within the ambit of public opinion. Samuel Gompers, who stamped his image so indelibly upon the habit patterns of so many of the unionists who have come after him, was concededly one of the very great controversialists of his day. He played with an expert hand upon all the known public opinion media of his period. American trade unionism is still using many of the techniques which, in simple form, he first gave to the labor struggle.

#### Leaders say: "Reappraisal Needed"

Admittedly, Gompers lived in a day when public relations, as we now understand them, were still in the hit or miss stage of development. Gompers was a bold improviser, but he did not have at his finger tips the resources which now implement even the most mediocre opinion molder. The structure which he built, and which his successors have so strikingly improved, was not conceived in the light of present understanding of the deep drives which influence social thinking and reaction. Trade union leaders themselves are the first to recognize that the present trade union public relation apparatus is badly in need of the reappraisal and reinvigoration which experienced public relations counselors can give it.

Before considering some of the obvious possibilities in planned future

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trade union public relations, it will clarify the subject if we glance briefly at the present range of trade union public relations activity. Such a survey will reveal that in some respects trade unionism is already well abreast of the best which is being done in this field. It will also disclose obvious and serious gaps.

#### Labor's P. R. Channels

To attempt to cover a broad subject in a few highly generalized paragraphs, labor's present public relations operations work through the following major media:

- (1) THE TRADE UNION PRESS. Today approximately 600 trade union-sponsored or supported monthlies, semi-monthlies and weeklies are being regularly published. Their total circulation has been variously estimated at between 12 and 25 millions. Unhappily, the labor press has hitherto been one of wasted opportunities of American trade unionism. Not even the most indulgent upion partisan would claim that the labor press, as now conducted, has any measurable influence upon the outside reading public. The American Federationist, now streamlined and professionally edited, is the only trade union magazine now enjoying a national newsstand circulation. A few other publications, Labor (railway unions), The United Mine Workers Journal, Advance, Justice, The CIO News, The Labor Herald, are particularly effective trade union organs. Only too many of the others are lifeless and uninspiring. What labor journalism conspicuously needs is (1) an alert, adequately staffed labor news service which can freshen up the contents of the labor press with up-to-theminute news and pictorial coverage, and (2) the imposition of professional standards of make-up and news reportage on its present, only too often, miscast editors. Particularly glaring in a movement of 14,000,000 members is the absence of a labor daily newspaper, such as the London Daily Herald, which can give labor a bridge to the wider reading public.
- (2) RESEARCH. In this field, trade unionism has made its most notable public relations progress in recent years. Faced, with their widening tasks, by the necessity of statistical implementation of their public propaganda and their negotiation briefs, the unions have thrown their doors open to the college-trained research specialist. The AFL has long enjoyed a recognized status in the field of national statistical reporting through its ably conducted Research and Information Service, and its Labor's Monthly Survey. The CIO, newer in this field, is now giving the Federation close competition with its Department of Research and Education, and its Economic Outlook. Individual unionsthe International Brotherhood of Electrical Workers, the United Mine Workers, and the International Association of Machinists, the Brotherhood of Carpenters, the United Steel Workers, the United Auto Workers, the International Ladies Garment Workers-have done high quality work in research service to their affiliates. Such professionalstandard research facilities have markedly strengthened trade unionism in its recent public opinion tests.
- (3) POLITICAL AND LEGISLATIVE ACTIVITIES. Labor's present stencil in the national mind has been largely shaped, under New Deal government, by its highly publicized political activities. It is doubtful if most of these activitiesparticularly the CIO's PAC-have aided unionism as much as they have damaged it. The continuous publicizing of union power politics has produced some extremely hurtful negative reactions in the general public mind. It has tended to create in public thinking the unfortunate picture of labor as a class apart, ruthlessly fighting for special privileges. While legislative guidance is an intrinsic part of the trade union task, it is increasingly obvious that hardboiled labor victories may prove pyrrhic. Nowhere is the lack of a top public relations policy, among labor leaders, more obvious than in their political activities. Political misplays by the unions may frustrate the most skilled publicity programs in the field of public good-

What the public relations profession can do for organized labor, in the emerging future, is indicated by the very nature of the present national

trade union problem.

Contemporary unionism, wittingly or unwittingly, has implanted an extremely bad stereotype in the American public mind. Admittedly, the stereotype has been distorted and exaggerated by labor's enemies. But organized labor cannot escape the responsibility for its laxity in permitting inexcusably bad public relations policies, in the case of some over-publicized unions, from bringing the whole trade union movement into disrepute.

#### **AFL Mistakes**

To take AFL examples, the flaunting demonstration of irresponsible labor power by a James C. Petrillo in the recording, and now in the FM "Stand-by" dispute, has done more to contribute to the picture of a socially irresponsible trade union movement than all the current propaganda of the O'Danielses and the Tom Watsons. That Petrillo's power moves are viewed with general distaste by his fellow AFL officials means little to the non-union public so long as the AFL takes no action officially, or through its press, to repudiate the Petrillo exactions. Here is a handmade opportunity for top AFL leadership to blast, once and for all, the propaganda of a "selfish unionism," and the AFL strategists have muffed it completely. Expert public relations counseling would have pointed out to the top leadership how it could have turned the Petrillo issue into a front-page demonstration of labor social responsibility.

Or consider the Joseph Fay case in New York, now moving noisomely through the courts. To the vast public which follows such editorial guides as Wes Pegler, Fay and his prototypes are symbols of AFL officialdom. That they happen to be the few bad eggs which by the law of human averages, have inevitably appeared among the 150,000 honorable and high principaled AFL officials, is not recognized so long as Washington AFL leadership does nothing to disavow or repudiate Fay. A natural publicity opening for the AFL to take the point out of the Pegler diatribes has been forfeited by inaction.

#### Errors in CIO

The CIO has probably been even clumsier in its approach to mass public opinion. A glaring instance is its recent three-sheeted public association with the Communist trade union leaders of Russia. Already under heavy criticism, from many directions, for its alleged Communist sympathies, the CIO not only identified itself openly with the Communist European labor elements at the London and Paris WTUF meetings, but it then followed up these gestures by the incredible publicity stunt of inviting a Russian Communist labor delegation to visit America as guests of the CIO, and of returning the courtesy by sending a CIO delegation to Moscow.

Whatever one's opinion of the general question of Russian relations, the undeniable fact is that the great majority of the American public, including labor, is deeply distrustful of Communism, and of American groups which compromise themselves by Communist intimacy. The Communist issue has been the Achilles Heel of the CIO since the beginning. A wise public relations policy would have been scrupulously careful to avoid giving any further fuel to the prevailing suspicion that the CIO was unduly sympathetic to Communism. Instead, the CIO has perversely poured oil on the flames.

Of similar piece has been the recent rash of CIO jurisdictional squabbles, in which the public correctly feels that it is the innocent victim. UAW raids upon a sister CIO union at the Harvester and Caterpillar plants (a raid which cite me wh plan

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was rebuffed by an NLRB election), e in-Quill's New York public brawl with 0,000 the UAW over the airplane mechanics AFL jurisdiction. The Detroit maintenance ng as employee disorders between the UAW nothand the AFL building trades are not y. A good publicity for an organization AFL which is demanding a responsible role r diain American industry. on.

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Another instance of inexcusably bad CIO head work is the current plugging of the slogan "52 for 40." No phrase could be more damaging polemically to the CIO wage fight in non-union public opinion. It emphasizes the very point which industry is trying to high-lightthat labor is demanding more money for less work. And yet CIO publicists have seized upon this backfiring slogan as though it were a real discovery in psychological warfare. Obviously, the CIO, for all its earnest steps in the direction of modern public relations techniques, is woefully in need of a guiding central publicity compass.

These random instances have been cited merely to demonstrate the immense good-will loss to trade unionism which results from top public relations planlessness.

#### A Different Picture

On the other side of the shield, it must be conceded that trade unionism, both AFL and CIO, have made striking advances in recent years in the direction of more expert publicity exploitation.

We have mentioned the long step which unionism has now taken into the field of radio broadcasting. Its importance is seen in the designation by the AFL of its gifted publicity director, Philip Pearl, to organize a permanent radio division. With the development of FM, labor is now preparing to make itself a significant factor in the field of direct station operation. Already, 19 trade union applications for FM permits are before the FCC, with the like-

lihood of favorable action in all. In its experience with radio, organized labor has recognized the necessity of engaging top professional talent. It is a precedent which will influence union attitudes, as labor enters other activities in its expanding public relations program.

#### Using Films, Animated Cartoons

The CIO has taken other notable steps toward the use of improved publicity techniques in recent months. The institution of an expertly prepared film service of shorts, animated cartoons, and documentaries by the UAW is a ground-breaker in a new field. The entrance of the CIO into the professional pamphlet production field through a joint arrangement with a top-flight publisher will assure entrance of CIO material to the national news stands.

Both AFL and CIO have recently taken significant steps to popularize their present horse and buggy age local labor press. The CIO is now releasing a cleverly prepared adventure cartoon series, which drives home union viewpoints with painless pictorialism. The AFL, in conjunction with a nationally known newspaper feature editor, is now preparing to release regularly to all AFL papers an elaborately prepared pictorial supplement, which will tap new levels of reader interest.

A noteworthy recent CIO move which is smart public relations is the transformation of its war relief fundraising subsidiary into a permanent "CIO National Community Services Committee" which will tie CIO local organizations into community activities throughout the country, with probable CIO representation in principal local welfare agencies.

Obviously the will to try new techniques and new ideas is increasingly existent throughout the labor movement. What is still lacking, however, is the creative planning of labor's general strategy which can fit all such separate

publicity programs into the mosaic of a planned attack upon overall public opinion attitudes.

#### Good Material Ready

If and when labor gears itself for this overall task, it will find that it has rich and unexploited human material for the winning of favorable public attitudes. The inspiring labor health experiments conducted by such organizations as the International Ladies Garment Workers, the Amalgamated Clothing Workers and the United Retail and Department Store Employees, the elaborate provision for old age security made by the United Brotherhood of Carpenters and Joiners through its magnificent Lakeland, Fla., Carpenters Home, and its alternate pension system, and by the International Typographical Union and the Pressmen's Union in other showspot communities, the statesmanlike contribution to the economic stabilization of the coal industry by the United Mine Workers, the generous provision for accident and retirement emergencies by the Railroad Brotherhoods, these and many more are the untold labor stories which are lying ready-made for the use of the publicity expert.

As Mr. Hochman well expressed it in the convention address to which we earlier alluded:

"We have a story to tell that is not limited to raising living standards and greater opportunities for life for the masses of the people, important as that is. We have a story to tell of organized labor's contribution to democracy, to universal suffrage, to free education. We have a story to tell of great institutions erected by unions for the sick, the aged, and the needy, of widespread educational and cultural movements sponsored by American unions. We have a story to tell of organized labor's long fight through the past two decades against dictatorship and totalitarianism. Yes, we have a story to tell, but it will not tell itself. We must make up our minds to tell it, or it will remain untold."

That organized labor is now ready to tell its story, through the medium of modern and proven public relations techniques, is a social fact which may prove to have historic import in the unpredictable American decade which lies ahead.

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A salesman awaiting his train, discovered in his pocket the room key belonging to the hotel from which he had recently checked out. Wanting to return the key and sighting, near the station, the hotel bus driver, he accosted the driver, explaining his predicament, and asked if he would return the key. The driver replied, "Oh, throw it away. We've got lots of them." The salesman, however, wanted the key returned and debated whether to do so by mail or to entrust it to the driver whose integrity he now had good reason to question. He explained this to the driver and, upon being assured that the key would be properly returned, handed it over.

Later, on the train, he exchanged pleasantries with a gentleman who shared his seat. Shortly thereafter, his fellow traveller invited the salesman to join him at luncheon. Luncheon finished, the salesman's companion took the check and insisted upon paying it and, by way of explanation, said that he knew of the salesman's company; that its representatives had long tried to sell him; that he had overheard the conversation regarding the key and that, in his judgment, any firm who employed a salesman who would go to such lengths to do the right and honorable thing must be a good firm with which to do business. He gave the salesman his card with a request that he call on him.

The salesman called and gained a new customer for his firm; one which, through the years, became the firm's most important account. It was won not by super-salesmanship, but by the practice of sound human relations.

# A Working Public Relations Program

By GEORGE W. KLEISER, Jr.

Vice President in Charge of Public Relations, Foster and Kleiser Co., San Francisco

TO MAKE the service of outdoor advertising more thoroughly understood, and to promote good-will among employees, customers, and the general public, we of the Foster and Kleiser Company have recently inaugurated a new and far-reaching public relations program. We are now in the midst of carrying it forward.

#### The Public Relations Staff

Its organizational set-up is as follows: In our General Office, in San Francisco, is the vice-president, the director and his assistant, who work with our public relations consultant on matters of company policy. In each of our eleven branches (Seattle, Tacoma, Portland, Sacramento, Oakland, San Francisco, Fresno, Los Angeles, Long Beach, San Diego, and Phoenix) there is a regional public relations office. A public relations staff member has the responsibility of carrying on the program in his particular territory.

Our program represents both a long and a short range approach. In posing our problem, we asked ourselves: Does the Company deserve the public's approval and support? Does it render a social service that justifies its existence? Are its administrative policies sound and progressive?

The answers to these questions require a clear understanding of the Company's philosophy, functions and services by all the publics which it affects and which affect it—company personnel, customers, advertising agencies, and property owners; stockholders and board of directors, governmental units and agencies, and civic bodies; other outdoor advertising companies, garden clubs, women's organizations, and labor unions; suppliers, creditors,

and communications agencies; educational institutions, public-interest and charitable organizations, and all the special persons and groups whose support is important.

We endeavor to maintain satisfactory and constructive relations with all public and private agencies. The effectiveness of our relations with these forces is dependent upon the efficiency, attitudes, and behavior of our personnel, on whom rests the major responsibility of carrying on this part of our public relations work.

As a phase of what might be termed the "external" parts of our program, the Company has under way a definite plan to serve schools and colleges in our territory. We are sponsoring a series of poster design contests for art students in the high schools-with appropriate awards. At the moment we have under way a manual on poster design which will be of interest to all art students. We are beginning work with college groups in making a careful study of text books to determine their contents on the economic and social aspects of advertising, and outdoor advertising in particular.

#### In the Communities

We are cooperating with local and national drives by donating outdoor advertising space for community chest funds, Victory Bonds, the Red Cross, etc. Similarly, we are preparing and donating posters to aid local communities, and their religious and welfare organizations, in coping with the problems of juvenile delinquency, church attendance, veterans' rehabilitation, and other matters in the general public interest. The Company has received considerable praise for its community

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the years, but by the efforts and its donation of advertising space for such worthy causes.

As another phase of our external relations, the Company has frequent and continuing surveys made of the attitudes of various publics toward outdoor advertising. These are proving very valuable as a guide in certain aspects of our public relations program.

In connection with our "internal" relations, the Company maintains as close and sympathetic relations with employees as conditions permit. The President personally likes to meet and talk with employees whenever and wherever he can. The same spirit is exemplified in executives, branch managers, and department heads throughout the organization.

An illustration of this spirit is the treatment accorded personnel who left the Company to enter the Armed Services. If their government pay, including allowances, for any month was less than the pay they received from the Company at the time they entered the Service, we paid them 20 per cent of their company salary for the first year of military service and 10 per cent thereafter.

#### Employee Policy

Promotions are made whenever possible within the organization. Desires of employees to move from branch to branch are given favorable consideration. New personnel are employed with the idea that they will become permanent and have free opportunity for advancement. Proof that the Company's employee policy has been effective shows in the large number of those with long service records and the large number of men returning to the Company from military service.

Employees are eligible for group health insurance and group life insurance. The Company pays more than half the life insurance premiums. We are always on the lookout for any ideas that will contribute to better understanding between the Company and our employees. And to this end we have under way a careful study of employee attitudes, working conditions, needs, interests, aspirations, and other factors affecting their morale and welfare. The findings of these studies are proving useful too as a guide in carrying out our public relations program.

#### Company Periodical

As a tool for more effective relations with personnel, we publish a monthly periodical which is devoted to employee and company affairs, with "newsy" personal items, as well as reports on important company activities.

To assist in its publication, the assistant to the director of public relations serves as editor, with an editorial representative in each of the eleven branches who is responsible for news from his branch.

An additional means for promoting employee morale is a Suggestions System which has been devised for the general office and all branches. Suggestion boxes are placed at conspicuous places adjoining bulletin boards. All employees are encouraged to pass on to the management ideas which they think will be helpful to the business. A minimum award of \$5.00 is paid for each suggestion accepted; more important suggestions receive higher awards. The executive committee reviews all suggestions submitted and selects the award winners.

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We send regularly to employees our annual report and the President's letter to stockholders; various booklets issued for sales, advertising and public relations purposes; important letters dealing with significant company operations; and "bouquets" received from customers or outstanding individuals for service well done.

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company sent out to employees a special letter, commending them for their efforts, and enclosing material reminding them of their heritage as citizens of a democracy. Included were: a special booklet on the Constitution of the United States; a condensation of Friederich Hayek's "Road to Serfdom"; a reprint of the San Francisco Charter; and a large reprint of the Bill of Rights. Frequent communications are sent to employees by way of "flash" or "keeping posted" bulletins, relative to important developments, and every opportunity is taken to remind employees of the important part they themselves play in the public relations program. We take them into our confidence, and try to keep them up to date on company policies, or the problems we face from time to time. Occasionally we call on the employees to help us solve some public relations problems. We think that this adds to their pride of achievement and to their satisfaction in working for the Company.

#### Company History on Film

To make our employees and the general public better acquainted, the Company has prepared a film, "Two Men and an Idea." This gives briefly the history of the Company, and shows the various operations of our business.

The Company's policy has always been to cooperate fully with organized labor. Union employees are engaged where trade unions exist. The Company conforms with union regulations and has been faced with only one major labor disturbance during the 44 years of its existence. We are continuing our efforts to promote cordial relations with the unions through a liberal wage policy and pleasant working conditions.

In the general office and all branches, from time to time we hold a series of classes for all personnel interested in becoming better acquainted with the principles of public relations, and how they can be applied to their special work.

We endeavor to provide suitable recreational facilities and encourage social functions through which members of the Company can become better acquainted. These help to develop a spirit of friendliness which the employees are sure to pass on to the public in the conduct of their daily affairs.

Employees are urged to report to the public relations department any criticisms of the industry, so that these criticisms may be studied and corrected. Unusual achievements by employees are reported to the general office and given publicity through special bulletins or through the medium of our Company periodical.

In addition to personal contacts, a number of impersonal means are used to keep in touch with our various publics: printed stuffers and special bulletins, the company publications, reprints of speeches, special letters, booklets and brochures; holiday and birthday greetings, and specialized research designed to meet the current needs of the particular persons concerned.

We invite members of our various publics to our general and branch offices. To have these visitors meet officials, executives, and staff members of the Company is one of the most effective ways of winning their good-will and friendly cooperation.

#### Owner, Stockholder Relations

Similarly, we endeavor to gain and keep the good will of owners, from whom we lease outdoor advertising locations. Information about the Company is given in the form of booklets and brochures, which we enclose with remittances of rental checks. Through this means, we emphasize the social value and usefulness of outdoor advertising and Foster and Kleiser Company's part in it.

In our relations with stockholders,

we frankly explain our achievements and shortcomings and encourage constructive criticism. We send them not only the annual report but copies of the house organ, and frequent communications informing them of developments in the company, how it is doing, the difficulties it is meeting, its successful activities—many intimate and friendly bits of information. We treat them as part of the family.

#### Informing Suppliers and Creditors

Two other important groups among the many publics with whom we deal are the suppliers and creditors. We keep them informed about the outdoor advertising business and Foster and Kleiser Company through personal contacts, the use of stuffers for all communications going to them, occasional special booklets, and other printed matter which can be sent through the mail or delivered personally.

What has been presented thus far has only touched upon the highlights of our public relations program. And a proper understanding of even these brief points is not possible without connecting them with the history and development of our company.

Starting with service only in Portland and Seattle, 44 years ago, we now serve advertisers and the buying public in more than 500 Pacific Coast communities in California, Oregon, Washington, and Arizona. Although located in the West, we served both Pacific Coast and national advertisers.

Our Company employs continuously over 1000 employees and pays more than \$2,500,000 annually in salaries and wages. It is currently doing business in excess of \$8,500,000. It spends approximately \$1,400,000 yearly for materials purchased from other Pacific Coast businesses. It is one of the largest consumers of electricity for illumination in its area.

We have conducted authoritative studies of traffic to permit the scientific placing of outdoor advertising structures so that they may be seen by the largest number of people. Our traffic studies and reports are checked and verified by the Traffic Audit Bureau, Inc., a non-profit membership corporation, organized under the laws of the State of New York. The Company's traffic flow-maps, resulting from traffic studies, have been used to advantage by Federal, state, and municipal governments, and by many business organizations.

The outdoor advertising business cuts across various sectors of the American economic scene. Our customers are local, regional or national. The type of service we render varies with circumstances and is readily adapted to the particular needs of the customer.

For example, an advertising contract may call for either poster displays or painted bulletins, or both. Painted bulletins may be selected by the advertiser as individual units, according to the location and number of displays desired. They are maintained on carefully chosen locations within cities or along commercial highways. Many of the locations are attractively landscaped. We strive to make the structures impressive, individual and attractive; and where night traffic warrants, the painted displays and poster panels are effectively illuminated.

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#### Many Publics

In the outdoor advertising business, we are in simultaneous contact with many publics, locally, regionally, and nationally. Because of the very nature of advertising outdoors, our structures are plainly visible, night and day, to millions of passers-by. Many find our advertising displays artistic and entertaining; others discover in them an effective aid to buying.

Our poster displays, referred to in

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the trade as "24-sheet posters," are sold in units called "showings." They are maintained within the populated areas of cities and towns, on primary streets, in strategic locations where traffic is heaviest; and also within corporate limits along commercial highways leading to and from metropolitan areas.

Various "intensities" of showings are provided for in each city or town, based on the traffic density of the particular area. In this way the advertiser may purchase a poster display or showing, according to the percentage of market coverage and intensity of effect he desires. In the City of Los Angeles, for example, a 100-per cent showing consists of 125 standard poster displays, distributed throughout the City along the major arteries of travel. More than half of these are illuminated.

Unlike other forms of advertising, our job is not complete after the design has been made and the display set up. Outdoor advertising involves a continual servicing of all our displays.

Despite our consistent policy to confine outdoor advertising to non-scenic areas, and our endeavor to make advertising structures as attractive as possible, we are occasionally criticized by local special interest groups, Without proper investigation of the facts, these individuals would condemn all outdoor advertising; they cry out against "unsightly billboards."

We heartily agree that objectionable signs should be removed. In cooperation with our national trade organization, Outdoor Advertising Association of America, Inc., we are doing everything possible to remove these undesirable structures from the public highways and from all other locations where they mar the landscape. Foster and Kleiser Company has supported for some time a Model Zoning Law that would confine outdoor advertising to specified, strictly commercial areas, and non-scenic portions of our highways.

We are acutely conscious of our social responsibilities and work with other outdoor advertising companies to eliminate all policies and practices that might reflect upon the whole industry.

Likewise, we attempt to perform a valuable service in the economic distribution of goods and as a contributor to the general welfare of the people in the various communities we serve. We look forward to greater usefulness, confident in the destiny of our company and its place in the free enterprise system of America.

#### Public Relations Advertising

With the cessation of hostilities many business institutions wrote "finis" to their advertising support of emergency measures, such as "Bond Selling," "Salvage," "Blood Donor" and others. Great credit accrued to business through its unselfish efforts in behalf of these emergency programs. It is to be regretted that more advertising of this nature is not keyed to the needs of our peacetime economy.

Opportunities there are aplenty. For example, campaigns are needed on "anti-inflation" to make the continued threat of inflation intelligible to the general public. The "bond program" did not end with the last victory drive. The American public should be urged to hold their war bonds until maturity as a hedge against inflation and for security in rainy days ahead. "International cooperation" is a timely and important theme under which people may be urged to interest themselves in the peace as they did in the war. Public opinion, intelligently expressed, is vital to statesmen. Our peacetime "merchant fleet" needs aid in recruiting men and officers. "Paper conservation and salvage" is yet an important topic; one needing wide support.

Product sales are important and may be advertising's number one job, but advertising devoted to national and community problems is important, too, and great public relations values redound to its sponsors.

#### **GOOD PUBLIC RELATIONS:**

# what we do, not what we say

By ROBERT R. GROS

Director of Advertising and Publicity, Pacific Gas and Electric Co.

HE need for a public relations program increases as a company grows in size-increases, in fact, at a rate much greater than the company expands. For the American public resents size, has resented it ever since the stagecoach days. A corporation is impersonal, thus the artificiality of the corporate entity must be subjugated to the reality that the company is only a group of individuals who invest their savings or do their work in the furtherance of a common enterprise.

Public relations is not a panaceait is merely an articulating means to an end. This point too often is overlooked by the business tycoon who has suddenly awakened to a new concept of economics and a realization that the human equation is a factor to be reckoned with.

Unfortunately, the lack of knowledge of the subject and the tremendous amount of publicity given to it of late suggest that behind the term lies something sinister, something savoring just a little of the nearly unethical. Too many press agents and promoters today are taking refuge behind the highsounding and properly dignified term "public relations counselor." In consequence, the term is rapidly getting itself into disfavor, along with two other words that are of highly respectable origin but today carry a considerable aroma of the stinkpot. They are "politics" and "propaganda." Perhaps we shall have to evolve a "public relations program for public relations."

Too many persons think of a public relations program or project as something specifically designed for the accomplishment of a particular purpose.

This concept is far too narrow to suit me. A sound public relations project or campaign must encompass everything that is done by the company or omitted by the company, or that is said or left unsaid by those representing it; that is to say, the composite of everything that influences the judgment which the people in its territory reach concerning the

particular company.

A good public relations program must depend upon long-range planning and not be a hit-and-miss proposition. It must take a realistic approach. If you give information, it must be frank and reliable. When you seek public acceptance of a proposition it must be one which is honestly supportable from the public point of view. A sound program can be no more than a public presentation of your company, its accomplishments and prospects. This means a risk -if you seek a public adjudication on merit, you must be prepared for the verdict, pro or con.

A good soul-searching self inventory is prerequisite to any planning. Yet we must recognize that a true appraisal of your company cannot be had from facts alone. Despite your best efforts, many will never inform themselves sufficiently to judge you on a purely factual basis. Thus an integral part of the program must be a patient, persistent presentation of those qualities which leave the general impression that you are a

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particular s arm is completely it. If it is which is conduct, which has confidence in the enterprise brought about by sound practices and if it consistently fits into a well thoughtout program, then and only then will the potential worth of its merit be realized.

#### A Basic Approach

There are three main requisites which management must recognize as a basic approach to good public relations:

The first is to quit talking to ourselves. We should strive to "see ourselves as others see us." Practical business management recognizes that its thinking processes and reactions are not necessarily those of the average man on the street. Thus it is infinitely more important that we cater to John Q. Citizen with the copy we write and the programs we plan than to Mr. Big Shot of our own company.

Second is employee relations. It is my deep-felt conviction that no company's public relations ever will be any better than its employee relations. Good employee relations constitute the first big step in creating good public relations. Employees who believe in their jobs and in the organization they work for are the greatest force that can be mustered for creating public good will. They constitute an army of boosters just by their attitude. This requires a sound program of industrial relations. the in-training of employees and infinitely greater care in selecting customer contact employees. All the hifalutin' public programs in the world cannot offset the fact that for the period of even a few minutes that a customercontact employee is dealing with the public, he is the company. By what he does or fails to do, by his attitude and even his appearance our company will be judged much more than by our public statements or the learned pronounce-

Third, is the creation of a more real-

ments of our top executives.

istic press relations attitude on the part of management. The soundest exposition I have read in this field was the excellent article in the November issue of The Public Relations Journal by Lee Ettelson, editor of the San Francisco Call-Bulletin. In an effort to develop at least a pattern for companies anxious to maintain sound and effective press relations, Mr. Ettelson emphasized thorough cooperation with the press and an understanding of the difference between mere publicity handouts and real news. Additionally, and to the immense satisfaction of those of us in the field, this editor emphasized that "until public relations arrives at a point where it has a dignity equalling that of the sales manager or of the production manager, public relations can be considered only a stooge."

Finally, if the public relations worker is to do a good job for his company, management should recognize his expertness once it has been established. Public relations is a broad and comprehensive field and a true expert must have a sound, practical knowledge of many facets of the human equation. But when he has proved his expertness, his advice ought to be heeded instead of being sidetracked for the horseback opinion of the engineers, lawyers, and auditors-each of whom may be of top competency in his own field, without necessarily knowing much about public relations. And, concomitantly, we must measure up to that responsibility and prove and keep proving our worthiness of management's trust.

In conclusion, however, let me emphasize and reiterate that public relations programs cannot do the job alone. Public relations depends upon what we do—not merely what we say. In essence it boils down to a simple formula: "Find out what your public likes—then do it; find out what they dislike—and don't do it."

#### **EMPLOYEE PUBLICATIONS**

#### **Vital Public Relations Tools**

By WILLARD SWAIN

President, National Council of Industrial Editors

THE war, and the need for maximum production, have given widespread impetus to the use of employee publications. Almost without exception these periodicals have proved themselves useful public relations devices for building morale, eliminating lost time and waste, educating workers to larger responsibilities and for interpreting management's philosophies, policies and objectives.

Prior to 1939 not more than 2500 house publications were issued in the United States. Five years later, in 1944, a survey disclosed more than 5100 house publications directed to employees, consumers, and stockholders of business, industry, and other groups.

The close of the war with Japan has brought no contraction in the field of industrial journalism. A survey made by the National Council of Industrial Editors since V-J Day reveals that only a limited number of strictly wartime publications are being terminated, and that nearly a thousand new house publications are now being planned for the immediate future.

This remarkable increase in the number of house organs indicates that American business and industry are turning more and more to the written word and the employment of the graphic arts as a means of reaching employees, customers, and owners.

#### Many New Users

Many companies for the first time are using house publications. In those going to dealers and customers the basic factors governing advertising will be depended upon as guides because a great background of experience has been built up in the advertising field. Therefore it is likely that not many of these new *external* publications will wander far off the track of proved experience.

But in the field of *internal* publications there is a distinct possibility that some of the new publications may repeat mistakes that have been made in the past.

#### Experience Required

Public relations people will perceive at once why editing an employee publication cannot be turned over to just anyone. The tensions that exist today between labor and management as reconversion progresses call for all the skills and talents that can be applied to the issuance of employee periodicals.

A common fear among those who are first issuing an employee publication is that it won't be read. Great effort is often made to let news of employee activities predominate in the publication. The theory is that hope of finding his name or picture in the plant paper will cause the employee to read the publication. No editor will deny that names have reader interest and most employee publications use them freely. But an increasing number of industrial editors are coming to realize that even if they never published the name or photograph of a single employee, the publication would still be read and respected if it contained honestly presented material about the company, its processes, its services, its markets, its prospects, and its place and problems in the world of commerce.

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The average business or industrial employee takes a deep and abiding in-

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with the employee's instinct of selfpreservation. That job of his, whether
he likes it or not, represents his way of
earning a living. Pretty much everything the employee has or ever hopes to
have is represented by his job and the
company which provides it.

If any wisdom at all has developed in the field of industrial editing in the past twenty years it is that one of the most important functions of the employee publication is to inform employees about the ramifications of their work and to help them comprehend some of the economic facts of life which determine how successfully American business and industry can provide jobs and tools with which to perform them.

terest in his job and his company. That

#### Signed Statements Most Effective

What of the misconception that management should refrain from using the employee publication to present its view in controversies with employees? Part of this viewpoint, no doubt, goes back to the shades of the Wagner Act which outlawed "coercion of employees." Yet the fact remains that in most matters involved in collective bargaining between management and employees, management has a perfect right to use its employee publication to present its offers and views and explain the reasons behind its proposals. An increasing number of companies are finding such statements in employee publications of genuine value in explaining and presenting management's specific proposals and counter-proposals dealing with wages, and working conditions. These statements are probably most effective when signed by the company official most directly concerned with negotiations.

In this connection there is a school

of thought among a limited number of industrial editors which maintains that the editor and his publication should remain neutral in controversial matters and should either present both sides of a controversy or none at all.

#### Impractical

From a somewhat idealistic view-point this proposal has certain attractions. But in the practical workings of modern industrial relations, the neutral, or bi-partisan editorial approach comes smack up against a number of realistic obstacles. Foremost stumbling block in the way of an editor attempting to give the appearance of neutrality to his publication is that as long as management pays the cost of the publication he'll never persuade anyone, not even the dullest employee, that the publication's viewpoint is neutral or unbiased.

Another obstacle that stands in the way of the editor who tries to present both the labor and management view-points is that neither side, generally speaking, will ever be content to share a publication. Each would prefer to, and usually does, sponsor publications of its own. And that, after all, follows the tradition of American free speech.

When the Constitution was written its guarantee of freedom of expression didn't stipulate that a publication had to present all sides of a controversy. A union publication presenting the union view, and a management publication presenting the company view, are both expressions of free speech. Employees who have access to both views are given a chance to make up their own minds and act according to conscience, which is the ultimate working of American democracy. The employee publication is of greatest value both to employees and to management when it provides a medium through which management can convey to each employee its views and proposals during periods of controversy or collective bargaining.

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industrial biding inAn increasing number of publications are geared to do just that. Month in and month out the *Hormel News-Magazine* recounts news of company activities and the problems imposed on management. The Southern California Gas Company issues two publications, *The Gas Newsweek* and the *Gas Newsweek Pictorial*, to publicize company news and developments while they are still new and fresh. General Motors issues individual publications for each of its larger plants or divisions.

The presentation of management's viewpoint is a fundamental public relations function. Of all the publics with which a company has to deal the one of most immediate concern, especially during the existing period of reconversion, is the public represented by em-

ployees.

#### Can Be a Vital Link

The employee publication can never be a substitute for an unsound public relations policy but in innumerable cases it is proving to be a vital link of communication between management

and employees.

The editorial approach and tone of an employee publication is a public relations problem that calls for considerable insight into the modern industrial civilization. Shall the editor be extremely warm and friendly in his editorial approach or shall he be restrained and formal? Shall his publication be chummy or dignified? The answer seems best found through examination of how average American employees think of themselves, and how they best like to be regarded from an editorial standpoint.

A rather prevalent misconception is that employees think of themselves as "workers" or members of the "working class." Public opinion polls have repeatedly shown that the great majority of employees, even in the lowest paid categories, think of themselves as being members of the American middle-class.

What is the American middle-class? Well, it can be elaborately defined by income and by social aspirations. But better, it can be simplified to include the great majority of employees of American industry and business. These are the people who have become accustomed to the American way of life which includes a car, the hope and frequent realization of home ownership, the desire to send their children to college, and above all else a reasonable expectation of an increased standard of living and social contacts. The majority of these business and industrial employees, no matter how menial their tasks, rarely if ever deliberately think of themselves as members of the "working" or "laboring" class.

Yet the words "worker" and "laborer" are used in a surprising number of employee publications. There is nothing wrong in the use of these words except that they indicate a lack of perception as to how these "workers" think of themselves. These people would much prefer to be called "employees" or

"members" of the company.

#### Employees Resent Chummy Pronouns

In the opposite direction some editors go all out to create the impression that the company is made up of one big happy family where everybody is all on the same level of equality. In their determined efforts to create the appearance of a happy industrial family liberal use is made of those chummy pronouns "we," "us," and "ours."

Here again, it is easy to arouse the resentment of people who think of themselves as middle-class Americans. These people appreciate a friendly attitude but they don't want the publication to become offensively familiar. Just because a man works for the company, they believe, the editor has no right to call him "our" employee. Most

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The majority of readers of employee publications will best respond to an editorial approach which takes for granted that the readers are typical middle-class Americans. These men and women don't claim to know it all, but they are a long, long way from being stupid. They, like all Americans, are quick to sense insincerity; they resent being approached in a condescending or patronizing way, either in person or in print. And, like typical Americans, they will meet you more than half way if approached honestly and sincerely.

Some of the outstanding employee publications in America have achieved success not because of being pretty, or clever, or witty, or shrewd, or expensive, but because they have become established media through which both management and employees have come to a fuller understanding of problems and opportunities of mutual interest.

#### Calls for Versatility

The content of his publication is but one facet of the industrial editor's many-sided job. His, too, is the responsibility for selection of type, paper, photos, engravings, art and, of course, the format. Broadly speaking, there are three general types of format used for internal publications: magazine, newspaper, and bulletin.

The magazine type is usually issued on a monthly basis, and generally uses glossy paper, fine-screen halftones, and letterpress printing. Elaborate variations of layout, artwork, and color processes are frequently used. The editorial reasoning behind this type of production is that the publication which is pleasing to the eye and easy to read and follow is most likely to be well accepted by employees. This is an axiom in all the graphic arts that certainly applies to house publications.

Production standards are generally

high in monthly employee magazines. There are hundreds of beautifully prepared publications in this class. Among those which have maintained consistently high standards of performance are Long Lines, American Telephone and Telegraph Company; Contact, New England Power System Companies; Socony-Vacuum News, Socony Vacuum Oil Company, and The Hercules Mixer, Hercules Powder Company.

#### **Employee Newspapers**

The newspaper type of employee publication generally adopts a larger page-size than used for magazines and frequently, but not always, uses uncoated paper. Its makeup usually follows the traditional newspaper style as to headlines and arrangement of stories, photographs, editorial matter and the like. During recent years many of the war-born industrial plants made effective use of this type of publication.

The chief advantage of the newspaper type of publication lies in the speed with which it can be produced as compared with magazines. This means that less time elapses from the moment the issue goes to press until it is delivered to the readers; that current news is still *news* when published.

The Beech Log, employee newspaper issued by the Beech Aircraft Company, was published weekly throughout the war. It is considered by Beech as having been one of its most effective employee relations tools. Many of the larger shipyards and aircraft plants made excellent use of employee newspapers during the war, issuing them on a weekly or bi-weekly schedule.

#### Modest, But Effective

Then there is the bulletin type of publication. Although usually adopted by smaller companies or plants, where the need for larger or more elaborate publications may not be felt, it is often

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successfully used in larger organizations in the form of a daily "news letter." These users reason that it is more desirable to give out information in small doses, more frequently.

Every morning employees of Skelly Oil Company, Kansas City, find on their desks a copy of *The Office Bugle*, a single-sheet, simple and unpretentious bulletin. Consecutively numbered, it reports latest news, activities and announcements.

Bulletins may be produced by letterpress but more often make use of mimeograph, multilith, multigraph or offset methods. Many of these modest publications are doing an able job in their field but most industrial editors believe that if a publication is needed at all its need is such that it should, if at all feasible, be produced as attractively and easy to read as possible.

#### Frequency Important Now

There is no standard rule for determining the type of publication which should be used. Monthly magazines, as pointed out above, have long been doing an effective job in the industrial field. But in periods such as the present one of reconversion it seems likely that many companies might well benefit by the issuance of an employee publication every two weeks or even weekly. This provides adaptability to meet changing conditions, especially if the publication

is used to convey management proposals during periods of collective bargaining.

The publication issued by the California and Hawaiian Sugar Refining Corporation is published every two weeks. Less than forty-eight hours elapses from the time the last copy is set until the publication arrives, by mail, at the home of each employee. The periodical uses coated book paper, fine-screen halftones and quality of printing on a par with the finest magazines of general circulation. It combines eve-appeal with news freshness. It has been of greatest value as a means of permitting management to express its views and proposals to all employees without fear of misquotation or distortion of meaning.

There is such a variety in types of companies, and reader groups vary so much, that fixed rules can never prevail in selecting the best type of employee publication for a firm to use. It would seem safe to assert, however, that if an employee publication is worth issuing at all, it is certainly worth the expenditure of enough money to get it edited competently, to make it attractive and easy to read, and to get it delivered to the home of each employee where he and his family will have full opportunity and time to read it.

But more important than the consideration of expense of a publication is the spirit in which it is issued.

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#### Public Relations-A. D. 50

Roman and Renaissance captains knew well the power of public opinion. Off to the wars in those days, frequently meant being absent from home for many years during which time an uninformed public would shift its allegiance, its favor. Therefore, these early captains kept bards and scriveners in their tents in order that "the folks back home" could be kept informed on what was going on at the front.

#### THE WEATHERVANE

By VIRGIL L. RANKIN

Director, American Council on Public Relations

#### Action and Reaction

Illustrating how scientific developments in one industry have an impact on operations of other industries is the story of the problem faced now by manufacturers of rag-content papers. The majority of "rags," from which paper makers derive cotton and linen fibres, are obtained from trimmings, a by-product of garment manufacturing. So many of the new fabrics are plastic coated that paper manufacturers are forced to develop processes to eliminate the coating before fibres are suitable for paper making.

Wise are the public relations workers who keep abreast of new scientific developments and anticipate the effect of such developments on other fields, perhaps those with which they are intimately connected. New developments in electronics, television and transportation will have particularly widespread effects of concern to all public relations workers.

#### Enlightened Public Policy

Although widely reported in trade papers and the daily press, Walter Lippmann's speech before the Association of National Advertisers in late November is so stimulating that excerpts from it should be repeated again and again until all business men and their public relations advisers have had the opportunity of reading them.

Lippmann said, among other things: "Anyone is deluding himself dangerously if he imagines that the business men who lead American free enterprise can survive successfully without considering an *enlightening public policy* as much a part of the business of being directors and managers as is scientific

and technological research, production, financing and merchandising."

In his friendly and somewhat blunt speech he commented that it is annoying to have the American business man portrayed to himself and advertised to the world as a poor, helpless, frightened creature quaking in his boots. He advised employers to "get hep to the world" and to remember that America has emerged triumphant from the test of war and that all mankind knows how great have been its achievements.

#### House Organs Criticized

Rutgers University, on November 14, sponsored a conference of the New Jersey Industrial Editors' Association. It was the opinion of many of the experts in the field of industrial publishing that house organ editors should devote more time and space to the problems of labor as well as to presenting management's viewpoints.

Most house publications are "glorified gossip sheets" according to the views of William Snyder, associate editor of the New Jersey Labor Herald. He believes that these publications do not meet the problems of workers and management as they should; that they seem "scared" to deal with the incendiary problems of both.

#### Public Can Be Trusted

Returning from nearly four years of war, much of it spent in actual combat areas with the Marine Corps and Navy, Paul C. Smith, Editor and General Manager of the San Francisco Chronicle, tells his "new concept" of publishing.

Fully reported in the November 17th issue, *Editor and Publisher*, Smith advocates a number of new approaches

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on. Off to any years its favor. s in order ing on at to the problems involved in publishing a daily newspaper. He asserts that what is needed is more vitality, more responsible editing in the newspapers today; that newspapers must start dynamic thinking. He points out that the public can be trusted to think soundly when they are adequately informed and believes that it is the newspaper's responsibility to provide them with the information and to teach them how to be more discriminating in their selection of material.

#### Public Relations Glamour

We wonder what city desks will think of Hollywood's newest "public relations" stunt designed to gain publicity for "Duel in the Sun," a David O. Selznik release. Variety reports that Selznik has organized a "squad of glamour girls" to invade newspaper offices throughout the United States in an effort to gain publicity for the new film. It will be interesting to see how editors, who for some time have been decrying the cocktail party, dining and entertainment efforts of press agents, will react to this new onslaught in the name of "public relations."

#### Wanted: P. R. for Distributors

Perhaps it is time for wholesalers and distributors to accord serious thought and study to their public relations programs.

Malcolm P. McNair, Professor of Marketing, Harvard Graduate School of Business Administration, points out that the cost of distribution comes under fire in every period of high prices. When the rising cost of living pinches the nation's pocketbook the American public begins to express its puzzlement regarding distribution costs. Wholesalers and distributors could profitably undertake education of the general public on the costs of distribution, many of which are of an extremely intangible nature.

T. B. Freeman, president, Butler Brothers, Chicago, speaking before the Boston Conference on Distribution. said, among other things, that the future was never brighter for the wholesaler who will rid his business of such traditional barnacles of unprofitable practices as long dating, frequent small orders and extra discounts, and apply methods that fit this era of modern distribution. Freeman believes that the present trend toward decentralization will continue and that the need for distributors will increase; that it therefore becomes more important than ever that the public be fully informed as to the important place of the distributor in our national economy.

#### Contributing to Confusion

Public relations is "just dessert." It's a "new gadget." It is the "world's upand-coming newest profession." It is "usurping the functions of the attorney at law." These are but a few of the statements used by authors in current editions of national periodicals. Is it any wonder that the inexperienced are confounded? Bewildered? Suspicious? Does it all not point to the need for articulateness on the part of public relations itself? For interpretation by capable, experienced, honest workmen?

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<sup>&</sup>quot;If a nation expects to be ignorant and free, it expects what never was and never will be."—Thomas Jefferson.

#### Don't Underestimate the Stockholder

By REX F. HARLOW

President, American Council on Public Relations

WHAT is a stockholder? The "stock" answer is "one who is a holder or proprietor of stock or stocks." If we were to stop with this definition, there would be little to say regarding stockholder relations. But the definition is worth no more than it defines-and that isn't too much. The important implications of the question are, what does holding stock involve? What are the relationships created by ownership? Where does the stockholder belong in a business? What are his rights and privileges? With whom should he have the closest contacts? If he receives income from his investment, does he owe anything to the company that produces that income for him? And so on.

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#### Rich Source of Strength

Although there is a general tendency on the part of too many business executives to disregard the stockholder in carrying on the affairs of their companies, it is not surprising that stockholder relations is coming to mean more each passing hour. Increasing amounts of money, time and effort are being expended on stockholder relations programs. In institutions where no departments of stockholders relations have existed, such departments are coming into being, adequately financed. Administrative officials who have been accustomed to pass off the stockholder with a mere shrug of the shoulder, considering it "the thing to do" to outsmart him at every turn, are now reaching out to capture his interest and active support. These officials are acquiring the conviction that they have been overlooking one of their richest "relations" sources of strength.

Contrast this with the studied efforts a decade ago to hold stockholder meet-

ings in cities and towns so remote from the operating headquarters of businesses as to make them virtually inaccessible to stockholders. Remember the occasions without number when stockholders, timidly seeking information about their investments, were "cut off at the pockets" or brusquely brushed aside. Through proxy control and the skillful use of other corporate devices, large investors and company officials saw to it that there was little or no appearance at stockholder meetings of carping, dissatisfied or even inquisitive members. The very idea that a stockholder would appear at a meeting and break into the orderly agenda was so abhorrent as to cause a shudder. It was simply unthinkable that the president, the secretary, the treasurer or any other official should stoop so low as to answer a criticism of policy or procedure, in a stockholders' meeting. The job of management was to sell investors stockthe poor suckers—and then proceed to run the business as they pleased.

#### The Minority Stockholder's View

The minority stockholder did not see the least good he could accomplish in going to a stockholders' meeting where everything was cut and dried. Enough proxies were in the hands of those controlling the meeting, he knew, that his vote would count for nothing. His knowledge of the inside operations of the business was not sufficient for him to ask intelligent questions or take an active part in the discussions. Why should he go to a meeting and make an ass of himself? He answered by staying at home. As long as the company paid regular dividends on his stock, why should he bother the officials? He would only "put his foot in it" if he

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did. Better let sleeping dogs lie. If and when the company failed to pay dividends, then would be time enough to attend stockholder meetings and say his piece.

#### Large and Small Stockholders Apart

And thus in the past the two ends of the situation have played against the middle. Large stockholders and officials of companies have not wanted to be bothered with small stockholders. And small stockholders have not wanted to do anything to upset their steady dividends. And so the two groups got along

amicably, by staying apart.

But, of course, one important factor was overlooked in this situation. The interest of the stockholder in his own enterprise, the help he could give in making that enterprise more successful, his feeling of belongingness as far as the company was concerned, the possibility and desirability of building a spirit of partnership between him and the company—all this was overlooked entirely. The company took the stockholder's money and used it. The stockholder got his dividends and spent them without any feeling of loyalty for the company.

In the cases of companies which paid no dividends, or of those which paid only occasional dividends, the situation was different. Displeasure was not only felt but expressed by stockholders. Letters of inquiry were written to management: "What's the matter with the company?" "Why don't we get our dividends?" "Who's to blame?" "Is our money safe?" Under such circumstances stockholder meetings were something to be dreaded. "Keep the stockholders off our necks," was the cry of officials. "Let's get as far away from them as we can. Let's tell them nothing. Otherwise they will pester us to death. What right have they to poke their noses into company affairs, anyhow? They're only stockholders."

Even today there are many officials of companies who believe that the only way to get along well with stockholders is to carry on the business as it should be carried on and tell them only what you want them to know about it. As the official of one corporation says, "My policy is to do what you're going to do first, and tell the stockholders afterwards. I don't believe in having them poking their noses into our affairs when they don't know about the business. You're only inviting trouble when you try to get your stockholders into annual meetings. I'm against it!"

#### Informed Stockholders An Asset

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The weakness of this argument is that informed stockholders are not trouble-makers in honestly-conducted companies. The man who holds stock in a company and is kept well-informed regarding its activities is usually the last person to wish to interfere with its smooth operation. When he understands that the business is in very competent hands, he is willing to leave its direction in those hands. But without full and accurate information about the company's affairs, he is displeased or indifferent. Too many business officials forget, or fail to realize, how intelligent and well-informed are the rank and file of the citizens of this country. There are many "dumb clucks," but their number is not nearly as great as some executives would have us believe.

Besides, looking at the matter in another way, how much better it is for a business to have warm, active friends than enemies or dissatisfied critics. Every stockholder who can be changed from the latter into the former type is that much of a gain. And who can tell when a good friend will be worth his weight in gold? In time of stress the public will be inclined to believe the stockholder before the company official. In fact, it will turn to the stock-

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holder to get the true picture, reasoning that the company official, or even the company employee, may color facts to fit the situation whereas the stockholder will have no such motive.

One of the main reasons in the past for business executives to distrust stockholders, and consequently not wish to have more contact with them than necessary, was the fear that information passed on to them would fall into the hands of competitors. This was an open admission that stockholders were not friends. Current attitudes toward making full information about the corporate affairs of all enterprises public are indicative of the demise of the above bugaboo. No company which reports voluminously to the Government need foster the illusion that its competitors, as well as its customers, the general public, the Government and everybody else who is in any way interested in it, are in the dark regarding most of its affairs. As a consequence the stockholder is no longer feared as a source of leakage of information to competitors.

The officials of businesses are accustomed to think of stockholders as a segment apart from all other phases of the business. It is easy for the public relations man to fall into the same error. He must be on his guard against doing this. The truth is that stockholders bear a very definite relation to all phases of a public relations program,

#### Relation to Board of Directors

Consider, for instance, the stockholders in relation to the board of directors. This is the most commonly recognized of all their contacts with a business. Theoretically at least, the board of directors is a creature of the stockholders. Through their voting power, the stockholders elect all board members. Control of the board would naturally seem to follow. It does, but not in the way in which sound theory would indi-

cate or dictate. Practically speaking, boards are elected according to the planning and will of large stockholders and officers. That is, unless for some justifiable reason enough of the stockholders rise in rebellion and clean house. Such a development is so rare in stockholder relations, however, that it deserves hardly more than mention.

#### Importance in Consumer Relations

The stockholder has a very definite relation to customers. Indeed, the stockholder himself is a customer on many occasions. He buys and uses the products of his company. He has a chance through making purchases to learn first-hand of the many factors which affect its customer relations. He tests the quality of company products. He observes through personal contact the efficiency or the lack of efficiency of the company's sales personnel. He comes directly in contact with the physical plant of the company. He talks and listens to other consumers who like himself buy the company's products. He therefore is a sensitive barometer of customer relations-particularly if he is properly sensitized to look and listen with intelligence. If prompted by a cultivated interest, which his investment should warrant, he can become an invaluable sounding board for testing company consumer policies and practices.

The company which is on its toes in its stockholder relations program will be doing a number of things to capitalize on the facilities available. The public relations man and his staff will cultivate stockholders. They will build a card index on them, showing who and what they are, where they work, their skills, backgrounds and experiences—all the significant information about them that can be assembled. The public relations effort will be to appeal to as many interests of the stockholders as possible. Printed matter of all kinds,

such as stuffers with dividend checks, booklets, occasional copies of company publications and reprints of speeches, will go to the stockholders in a carefully selected and well-balanced stream disposed to build a high regard for the company.

#### Selecting Stockholders

A few forward-looking companies have gone far enough with their public relations programs to devote considerable care to the selection of stockholders. For long it has been considered good business to elect to a company's board of directors persons whose specialized knowledge or skill, or whose positions, contribute to a more efficient operation of the business. But little thought appears to have been given to adoption of the same policy in regard to stockholders. Usually stock is sold to the investor who has funds available. without too much regard for other assets than cash which he brings with him. The few companies which follow the policy of selling their stock to people who can help them, and then making these stockholders into active friends and boosters, are reaping the rewards of foresight.

#### Assisting in Government Relations

Another phase of public relations in which the friendly, informed stockholder can play a conspicuous part is government relations. No strain on the imagination is necessary to picture the many ways in which stockholders of influence and power can be of assistance to their companies before government units and bodies of various kinds. They can bear witness before many a hearing. They can gain the ears of government officials at times and under circumstances not open to company officials. They can make their weight felt in legislative chambers, where congressmen and legislators are particularly sensitive to constructive influences. Stockholders can frequently do more for companies in governmental circles than all the officials combined.

So palpable is the importance of the part which stockholders can play for a company in its community relations that one finds it hard to see why more use of stockholders is not made in this connection. It is agreed that one of the major public relations jobs a company has to do is to convince its community that it is a good citizen. This means that it takes part in constructive movements, contributes generously of its funds to worthy causes and through its officials and other personnel holds memberships in leading civic organizations. Few if any voices raised on behalf of a company are accorded more respectful hearing than those of community leaders who are stockholders. If a speech is to be made before some well-known body, who can better represent the company than an outstanding stockholder? He can speak with complete freedom and at the same time with the authority of one who knows much about the company.

#### Can Help to Meet Attacks

Occasionally, in times of stress, if a company is temporarily under a cloud, the friendly stockholder can be the necessary bridge over which the company can travel in regaining public confidence. This has been demonstrated on occasions when companies have faced heavy attacks from striking unions, governmental agencies, etc. It is then that the calm, unbiased voice of one or more strong stockholders can swing the scales in favor of the company. Many times these days labor difficulties are tried in the press. Accusations against companies reflect upon the integrity of the management. Sometimes they are even focused bitterly upon one or more officers. Even the most candid and honest statements of company officials given to the press in reply are disently do nmental mbined. e of the ay for a elations hy more e in this e of the ompany nmunity s means e moveof its ough its el holds rganizad on beed more

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counted by the general public. Maybe there is a crumb of truth in charges that have been made and so the public wonders about the company and its officials.

It is at this juncture that a statement made by a prominent stockholder, vouching for the company and supporting the statement previously made by company officials, can win public acceptance where all other efforts have failed. Of course, the stockholder invited to step into the breach must be a citizen of prominence whose record of friendship for organized labor is clearly established, and whose reputation for integrity and square dealing is widely known. There is some discounting of what such a stockholder says because it is impossible to win approval of everybody for any person or cause. But the rank and file of substantial people in the community are won over to the company cause through what the civic leader says as a company stockholder.

In the area of trade relations also the stockholder can play a part. Time was when companies and their officials were so afraid of competitors that trade relations was only a name. Every day was a field day for suspicion and efforts to outwit competitors. Today, it can be thankfully said, the opposite is at least partially true. Some of the best friends which corporation officials can have are officials in competing companies. The "trade" is spoken of in altogether different terms. Moreover close relationships exist between the associations and other trade groups. There is exchange of information, review of significant experiences, and tacit agreement concerning many matters on which unity of attitude and action is important.

#### The Stockholder as Advisor

In this situation stockholders frequently can perform a function of no mean significance. They represent interests which cross and recross trade lines. They likewise represent avenues

of information and influence which can be used very effectively by their company. This is particularly true on occasions when industry-wide trends and plans are being discussed. Here again expert knowledge and professional achievement can have great weight on final decisions.

#### "The Stockholder is Like You and Me"

All that has been said thus far contemplates the stockholder as a person who possesses the usual human interest and drives, the usual capacity for give and take, that is required in successful living. As one public relations person see them, they "are not some strange species; they're the school teachers, the lawyers, the doctors, the bookkeepers—even the bankers!... The stockholder is a person like you and me..."

Successful relations with stockholders therefore requires working with them on an intimate, individual basis. We can think and talk about them in terms of sound principles; this is a prerequisite to successful dealings with them. But our actions should be direct, pointed toward them as individuals, and down-to-earth. What we do had better make sense, whether what we say always does. And simplicity should be our watchword.

#### The Employee-Stockholder

More than ever is the foregoing true when the company's stockholders include a considerable number of its own employees and customers. Even a natural tendency to be evasive with stockholders has to be throttled under such circumstances. You can't fool a fellow who works for you, or the one who buys your products and meets your employees. The only way you can get along with him successfully is to tell him the truth as honestly as you can, and do it as though you are enjoying the operation. In stockholder as in

all relations, a company gets back from its publics about what it gives to them.

It might seem that company employees and customers could be counted on to attend stockholder meetings more frequently than other types of stockholders. But the record shows that they do not. It is a matter of grave concern to public relations workers that employee-stockholders, who should know a great deal about the corporate as well as industrial affairs of their company, are so hard to get interested in stockholder meetings. It is a job that challenges the best ability and close attention of the public relations worker.

Working with employees who own stock can be carried on through supervisors, foremen and personnel relations and labor relations workers. It involves making technical and financial corporate data simple and understandable and then giving it to workers in easy doses. The use of graphs, pictographs and other symbolic devices is helpful. Some very effective work is being done these days in breaking down income and expense data in relation to profit and loss. Some companies use films in this connection. Any device easy to use and understand should be utilized. It is hardly possible to make such educational and interpretive efforts too simple.

#### **Employee-Stockholder Education**

The problem can be approached indirectly as well as directly. A sugar manufacturing company runs a color film of what the company does from the time the sugar-beet seeds are planted until the crystal-pure sugar reaches the housewife's table. The story fascinates and tremendously stimulates the employee of the sugar company, who feels pride of ownership in the achievement thus depicted. In a similar vein a steel company runs films of the marvelous necromancy which fiery furnaces and sweating bodies perform in transforming rough iron ore into handsome products necessary for modern living. All this is grist for the mill of the stockholder relations man.

#### Simplicity Is Important

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The importance of simplicity has been emphasized by Mrs. Mabel Ferguson, Director of Public Relations for Butler Brothers, Chicago: "I think a public relations person should keep clearly in mind all the time that any communication going to the stockholders should be very simple. The banker and the lawver understand the profit and loss statement, but they represent public minority. Our publications should be addressed to the majority; then we can be sure that all can understand them. Should we use graphs and pictures? Yes, some-but let's stay in balance. If we stay in balance we don't have to retrace our steps. Don't go too far one way or the other."

Sound stockholder relations pays good dividends. It is one phase of public relations that a company can ill afford to overlook. It deserves much more care and attention than it normally receives.

The Boston and Maine Railroad has set an example for others of the nation's transportation facilities. It has created an invitingly legible timetable, the result of a "brass tacks" conference with a group of typographic experts. Even though "quiz programs" and "puzzle games" are growing in popularity, most travelers will prefer the understandable timetable. Boston and Maine's public relations have risen several points.

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#### SHOULD PUBLIC RELATIONS **BE A PROFESSION?**

(Concluding the symposium)

#### W. HOWARD CHASE DIRECTOR, DEPT. OF PUBLIC RELATIONS, GENERAL FOODS CORP., N. Y.

HE NECESSITY for improving public relationships is as old as the human race. Failures of the race, the wars, the lost opportunities, public and private worlds never quite conguered, have been failures in public relations.

The course of western civilization has many interpreters. It is said that man reacts because of his chemistry; he fights or is peaceful because of climatic effects on his nervous system; he is a product of his diet; he is motivated by his economic system. The list of unrelated explanations of the phenomenon of man is as long as the bibliography of the myths and sciences which man himself has created.

Probably none of them is entirely wrong. The exponents of each err only in blinding themselves to the existence of all the others. Man and his institutions is the composite of all stimuli, real or imagined, to which he and his forebears have reacted since time began.

It should be clear at once that the art and tactics of public relations is not being introduced here as a new tangential explanation of why man is what he is. Public relations is not a dynamic in itself. It is, when faithfully practiced, an attempt to understand the real dynamics of modern times.

Public relations is not the originator

of mass production or of the bewildering psychology of the crowd. It is not the lodestone, the Bill of Rights, the protector of property, nor the guarantor of political aspirations toward a better life for more people.

Public relations, in my opinion, is an attempt to see things whole. It is a conscious effort to comprehend the whole structure of ideas and environment which affect man. It is the new ethic-possibly the only valid one-to be enunciated in the twentieth century.

Public relations, properly conceived and equipped with modern tools, is the frame of reference in which the modern man of good will operates for the welfare of the whole.

By this definition the actual practice is often far removed from the ideal. Public relations is not the only profession in which this occurs, for there is no professional ethic without its mockers. Despite the charlatans, and despite those who mistake the individual tools for the art itself, public relations represents one of the basic problems of man-his attempt to achieve social and economic integration. The consequences of his past failures are obvious; the cost of failure now is incalculable.

We are a profession when we can think and act in those terms.

#### E. A. CUNNINGHAM MGR., PUBLIC RELATIONS DEPT., SHELL OIL CO., S. F.

WEBSTER'S definition of "propermits the inclusion among the pro-

fessions of any calling, occupation or fession" is a broad one, which vocation which is not a trade or handicraft. Such a definition lends support to the sales manager's efforts to raise the morale of his sales force by telling them that they are members of the "selling profession." Under it morticians are entitled to professional status.

A narrower definition will serve us better in this discussion. What we are interested in examining is the extent to which the practice of public relations measures up, or should measure up, to the standards governing the practices of those activities universally recognized as professions in the full sense. I include in this concept medicine, the law, and public accounting.

These examples have several distinguishing characteristics. In the first place, their practice requires specialized learning, well defined, and acquired by intensive and protracted study. Secondly, the qualifications of their practitioners are determined by legally established standards. And third, a high plane of ethical behavior is maintained by disciplines enforced by the professions themselves. These disciplines are formally set forth in codes of ethics.

When these criteria are applied, the practice of public relations as observed today falls short of the professional level. The field is not well defined. The prize fighter's press agent feels free to regard himself as engaged in public relations, as does the City Hall fixer. The sincere, learned, and honest men who essay to practice public relations on a

high professional plane find themselves classed, by the very vagueness of the field, with mountebanks and pretenders. The absence of accepted standards permits of such abuses. And practitioners have for the most part failed to organize themselves in such way as to permit of group self-discipline.

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It must be concluded that public relations is not a profession. Nor should it, at this stage of development, be one. Further evolution is required before it is entitled to such standing, evolution such as medicine, law and public accounting underwent before emerging as professions. Thoughtful public relations men will prefer it this way. To assume the benefits of professional designation without its obligations, as certain psuedo-professions have done, will not appeal to them. They can better serve public relations by encouraging progress toward professional recognition than by urging premature award of that status.

This view does not preclude the adoption of a formal code of ethics by those who have the real interest of the calling at heart. Such a code would provide a goal, a criterion, a standard to which good men could repair. It would hasten the day when public relations, under that name, or a more definitive one, will deserve to be called a profession.

## SPENCER W. CURTISS PRESIDENT, SPENCER W. CURTISS, INC., INDIANAPOLIS

Is IT all right for anyone to get in on this discussion: "Should public relations be a profession?" and "Where do we go from here?" Both seem to have considerable in common.

It seems to me that one phase of the need for high standards and competence has been overlooked.

During prohibition I think it was Al Capone who was asked: "How can we

stop boot-legging?"

His reply was something like this: "Stop people from buying and drinking the stuff."

We find an excellent parallel for our present situation in the history of the movement for "Truth in Advertising" started several decades ago.

Unethical advertising was not confined to small companies or isolated exof the retendindards ctitiond to ory as to

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not conolated examples. It crept into million dollar accounts and the clients were accepted by some of the very agencies who were loud in their talk about "Truth in Advertising."

To have suggested that the agency or the publisher refuse the account was unthinkable. How far do you think the AAAA would have gotten if it had attempted to "discipline" the Agency? The failure of advertising completely to clean its own house has led directly to the campaigns to discredit all advertising, brand it as "an economic waste."

Many, however, have established high standards—both agencies and publishers. They are still in business and here's something to consider: both the agencies and the publishers who refused to write or accept misleading advertising have not suffered financially. Today they are outstanding in their fields.

The Federal Trade Commission is one result we have from the refusal of advertising to clean its own house. Their "cease and desist" orders would not have been necessary if advertising had recognized its public responsibility.

Public relations is now ready for some opportunist to write another "100-million Guinea Pigs," and it will take more than a Harvard Report on the economics of public relations to counteract the effect of an adverse public opinion.

It is high time, not only to set up standards for public relations personnel and a "Code of Ethics," but to campaign those who *employ* public relations counsel. To point out the risks of incompetence on the one side, and company selfishness and greed on the other.

From what I read and see of various training courses offered, by the universities, it seems to me they are putting far too much emphasis on the study of the implements used in public relations and far too little on other qualifications of the individual, which are equally important.

Only when we have a group who see more in the job to be done than in the income it produces—only when we realize that income is a by-product of "service rendered"—particularly in the field of public relations—will we individually, and as a group, be on the road to real greatness.

And this is not starry-eyed theory. It is practical realism. It will pay double dividends . . . money and personal satisfaction.

When we cease to look on public relations as an easy way to make money without working too hard, when we get more satisfaction out of providing a peaceful solution to a chaotic condition, than the fee which we receive as our recompense—then we will be in a position to talk about public relations as a profession.

# FREDERICK R. KERMAN VICE PRESIDENT, PACIFIC MUTUAL LIFE INSURANCE CO., L. A.

THE obvious implication in this subject is that public relations is not now regarded as a profession.

Should it be so regarded at some future time? When? By whom?

These answers call for a point of view—a detached interest—an unprejudiced opinion—an objective evaluation—which it is probable no public relations practitioner possesses. Who de-

cided that the law and medicine were professions?

It is my opinion that public relations will achieve recognition as a profession when it deserves to be so regarded. The public will—and should—make the decision.

Among those who are engaged in this field, it seems to me, the question is purely academic. Irrespective of its

classification, the things which are done in its name will determine the issue. Irrespective of its nomenclature, those who do public relations work have an obligation to do the sort of a job which will merit the most exalted title the public may choose to attach to it.

I am not so much concerned with the conclusion reached by the public relations people themselves as I am with the public's verdict. Public relations will become a profession—if it deserves to be—when the public decides that question.

#### RAYMOND W. MILLER

#### PUBLIC RELATIONS CONSULTANT, WASHINGTON, D. C.

THE ART, science, skill and ingenuity involved in the successful practice of public relations combine to give this medium for developing opinion a truly professional status.

Specialists in the field of public relations are beginning to enjoy the same degree of public confidence which is accorded the older and more sharply defined professions such as law, en-

gineering, and medicine.

Professions, however, are not confined by strict lines or academic restrictions. They *are* defined by performance, accomplishment, and standards. The higher the standards, the more specific the requirements, the more worthwhile the accomplishments, the easier it is for any endeavor to attain a professional status.

As in the case of many vocations which represent a wide background and even wider understanding, rather than formal prescribed training, the development of public relations work to a professional status can be attributed almost directly to the work of a few conscientious leaders in this field.

To establish public relations on a recognized professional basis will naturally require that the present highest standards of performance be implemented. Ethics must be all-important. And, in all of this development, the public relations profession must be its own severest critic. To keep its place on an equal plane with the so-called documented professions, it must earn

for itself a useful place in the thoughts, actions, and life of people everywhere.

Time always calls for change. Without change there is no progress. For many years, colleges and universities training men and women for the law, for engineering, and for medicine have tightened their entrance regulations and have raised their graduation requirements. The goal, in each case, has been one of advanced professional status and service.

The training of men and women for public relations work, though perhaps not so formal as in the case of the "restricted" professions, must follow a similar pattern. Whether that training is formal or informal is beside the point. Often the art, science, skill and ingenuity required in public relations work cannot be had for the asking in the formal curriculum. These attributes, so necessary in the field of public relations are the product of one's self, one's mind, and one's environment, coupled with adequate formal education.

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The profession of public relations can render a distinct contribution to itself and to its clientele by focusing its sights high and by doing everything in its power to climb upward. Its members must accept the moral responsibility of a professional career, and not be sidetracked into mere commercialism. It must serve, not be served. It must be interested in truth and facts, even though they be "stubborn things."

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It must recognize that the Golden Rule of the Galilean, rather than the "gold of Midas" is basic wealth. With such a concept as a guide, public relations can proudly take its place among the most honorable professions.

#### MARY PENTLAND **PUBLIC RELATIONS COUNSEL, NEW YORK**

 $\mathbf{F}^{\mathrm{RANKLY\,I\,am\,not\,personally\,over}}$ ly concerned with whether this business of dealing in ideas and in human reactions is classified as a profession or not. To term public relations a "profession" as distinguished from a "trade" or "business" smacks of outmoded Victorian snobbishness inherited from a period when to be a dilettante was to be admired and to be a tradesman bore social stigma.

Actually public relations, as practiced today, is a polyglot that could confuse even Webster who classified "profession" as a skilled, non-commercial occupation; defines "trade" as buying and selling for money; and terms "business" as either a trade or a pro-

If there is to be name calling for our occupation, let us term public relations a "business." Certainly the work demands business philosophy, social understanding and a knowledge of applied psychology. Yet it also requires experienced skill in the handling of techniques and media. Both knowing and doing are needed to turn out a sound public relations job and there can be no doubt that public relations operations are definitely commercial in the matter of establishing and collecting adequate fees.

Public relations, I believe, is a business which entails the dramatizing of facts so that these will be palatable and understandable to a group or groups of people. At its best such public relations is educational and constructive. At its worst it is propaganda and has the potential of becoming a destructive force.

Therefore, it would seem that the principles on which public relations operates, the ethics involved, the standards of practice that are acceptable are problems more urgently to be considered than the name by which our business can be called.

Public relations today is given a place of importance in the planning of Government, industry, commercial and even military interests. Almost every department of Government has at least one official whose primary duty is contacting the public and making certain that the overall work of that department is understood. When industry went into a serious business or labor relations discussion, even a decade ago, the executives would be flanked by corporation attorneys who were authorized to speak for the company. Within the month top executives from one of America's largest manufacturing concerns attended such a meeting flanked by six of their public relations counsels. Every branch of the armed forces during World War II had sizable staffs assigned exclusively to maintain good public relations for those forces with the press and the public.

All of which would seem to imply that public relations has arrived as an integral part of our commercial system and that whatever we call our operation-"profession," "trade" or "business"-the term is relatively unimportant alongside the question of how we can continue to conduct the work and improve the standards by which we

operate.

#### Planned Postwar Personnel Practices (A Survey)

By BEN TRYNIN

Research Editor, American Council on Public Relations (Prepared with the aid of David G. Soash)

THE WORLD WAR II period provided a three year test, on a wide scale, of many personnel policies and procedures which had been urged for years by the "theorists" and "practical men" in the industrial relations profession.

The extent to which some or all of these personnel policies and procedures survived (or will be carried over) into the postwar period, tells the story—in part at least—of their practicality and effectiveness as experienced by various companies during the recent war period.

#### Survey Method

Information forms containing a comprehensive list of activities were sent to 75 firms of a variety of types and sizes. Fifty-three replies were received. The recipients of the forms were asked to indicate the policies followed by their companies before V-J Day and those they intended continuing, expanding or adopting after V-J Day. From the replies we learned also the nature of policies which have been or will be discontinued.

Job Description and Job Evaluation, two of the basic activities in Wages and Salary Administration, will have the greatest following in the postwar picture of any of the numerous personnel policies. Nearly 80% have indicated that these two procedures are today considered an essential part of their company operation. See Table I.

Group Insurance with 81%, and Life Insurance with a 68% following, appear to have proved themselves.

The established employment procedures of *Interviewing* (77%) and *Hiring Investigation* (66%) will be continued substantially by most firms

using these techniques before V-J Day. Four companies are adding *Hiring Investigation* plans; only one company is abandoning it.

The continued use of *Transfer and Upgrading* plans were reported by 75%, in spite of the fact that some of these firms are shrinking their personnel at the present time.

On-Job Training is to be continued by 72% of the reporting firms.

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Largest gains (Table II) were indicated in the field of "employment testing," with eleven firms planning on adding *Intelligence Tests* (125% gain) and ten firms adding *Aptitude Tests* (142% gain).

The survey also reveals 85% to 100% increases for *Vocational* and *Personality Tests*, seven firms adding each of these selective procedures.

Nine companies (31% gain) are planning on inaugurating *Employee Handbooks* to aid in the orientation of the new employee, and to provide a medium for the sharing of information with employees.

Progress Reports are to be installed by eight firms (44% increase). These reports are designed to aid management in determining how well the employee is handling his job; proper wages to be paid; and provide a method by which the employer can objectively value a worker for possible promotion.

In percentages, the "procurement" items of Out-of-town Recruitment with a drop of 56%, and Out-of-town Advertising with 67%, were the worst losers. (Table III). However only nine firms were employing Out-of-town Recruitment and six companies, Out-of-Town Advertising.

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Medical services seem to be well (not the Plant Nurse) service has been maintained although Visiting Nurse discontinued by 30% of firms.

#### Table I, Practices With Largest Postwar Following, 53 Firms Reporting

Practice	By Department	Firms Continuing, or Adopting, after V-J Day	Percentage of Total Firms
Job Description	Wage, Salary Adn	1. 44	83
Group Insurance	Health and Safety	43	81
Job Evaluation	Wage, Salary Adn	1. 42	79
Interviewing	Employment	41	77
Transfer and Upgrading	Incentives	40	75
On-Job Training	Training	38	72
Local Advertising	Procurement	37	70
Safety Program	Health and Safety	36	68
Life Insurance	Employee Benefits	36	68
Hiring Investigation	Employment	35	66
Pre-termination Interviewing	Adjustment	35	66
Employee Handbooks	Orientation	33	62
House Organ	Employee Publicati	ions 32	60
Supervisor Conferences	Education	31	58
Grievance System	Adjustment	31	58
Job Analysis	Placement	30	57

#### Table II, Practices Which Promise a More Widespread Adoption

Practice	No. Firms before V-J Day	No. Firms Inaugurating after V-J Day	No. Firms Discontinuing after V-J Day	No. Firms after V-J Day	% Increase since V-J Day
Aptitude Tests	7	10		17	142.9%
Intelligence Tests	8	11	1	18	125.0
Vocational Tests	7	7		14	100.0
Personality Tests	7	7	1	13	85.7
Progress Reports	16	8	1	23	43.8
Employee Handbooks	26	9	1	34	30.8
Counseling	24	7	1	30	25.0
Adjustment Interviews	20	5		-25	25.0

#### Table III, Practice Having Largest Postwar Decrease

Practice	No. Firms before V-J Day	No. Firms Discontinuing after V-J Day	No. Firms after V-J Day	% Decrease since V-J Day
Out-of-town Advertising	6	4	2	66.6%
Out-of-town Recruitment	9	5	4	55.6
Visiting Nurses	10	3	7	30.0
Gen. Education Courses	10	2	8	20.0
Full-time Doctors	8	1	7	12.5
Safety Contests	22	2	20	9.1

#### A LETTER FROM THE PUBLISHER

OF THE

#### PUBLIC RELATIONS DIRECTORY AND YEARBOOK

To Those Interested In
The Practice of
Sound Public Relations:

Never before has so much expert information on Public Relations been offered in a single volume (860 pages). The Editorial Section contains fifty-five articles by well known Public Relations men and women covering various phases of the profession on a know-how basis so that even the layman may understand what this new art means to our public life and to our social progress. As one subscriber wrote, "It is one of the most compellingly significant contributions to public relations ever to come to my attention in the sixteen years I have been a practitioner in this field."

It also contains various codes of ethics and standards of practice employed in the field of professional public relations; public relations activities sponsored by the States; Foreign Agents Registration Act which endeavors to guard our national interest; methods used in lobbying and maintaining favorable opinion for large corporations.

The Pre-date Calendar of Events lists important occasions scheduled for 1946 and enables local and national advertisers, organizations, institutions and individuals to tie-in with national, regional and local events. It will help in advance planning and effective timing of promotion and publicity.

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reaus, Advertising Agencies offering public relations service, Research Organizations, Business Firms, Chambers of Commerce, Trade Associations, Professional Organizations, Non-profit Organizations, Educational Institutions, Federal Government Offices, State and City Governments, Information Representatives of Foreign Governments in the United States (each listing contains the name of the person responsible for the firm's or organization's public relations program); Museums and Libraries with public relations officers, Editors of House Magazines, Radio Commentators, Newspaper Syndicates and Picture Services and other features, many available for the first time. The Alphabetical Index has more than 16,500 names.

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Letters from subscribers say. "The Public Relations Directory and Yearbook is a one-volume graduate course in public relations with an up-to-the-minute reference library that is conveniently available within reach of one's arm." . . . "It will be invaluable not only to the students coming into the field, but the oldtimers and those who want to be reoriented in the latest philosophy and techniques of the business will find it helpful." . . . "It will be of great assistance to every public relations practitioner in the country." ... "It will become my number one reference book." . . . "It is without doubt the finest and most informational volume ever published by authoritative writers."

Cordially,

Chief favis

URIEL DAVIS. 82 Beaver Street, New York 5, N. Y.

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By REX F. HARLOW

President of the American Council on Public Relations

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#### pacemakers for trains to come

Every day Southern Pacific's luxurious streamlined Daylights join San Francisco with Los Angeles in a glorious daylight trip. One Daylight streaks along the California coast, over the Santa Lucia Mountains and along the blue Pacific Ocean shore for more than a hundred miles. Another Daylight travels over the rugged Tehachapi Mountains and through the great San Joaquin Valley.

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